State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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August 28, 2002

CERTIFIED RETURN RECEIPT
7099 3400 0016 8895 5026

John D. Archer
Ashley Creek Phosphate Company
P.O. Box 58031
Salt Lake City, Utah 84158-0031

Re: Review of Notice of Intention to Construct Large Mine Access Road, Ashley Creek Properties LLC, Ashley Creek Project, M/047/077, Uintah County, Utah

Dear Mr. Archer:

This letter is provided in response to our receipt of the July 15, 2002, confirmation letter from Mr. E. Craig Smay, and to the commitments made in our July 3, 2002 letter. We agreed to complete the technical review of the proposed large mine access road with the condition that any authorization to construct this road would be tied to the Division's future receipt and approval of a comprehensive large mine development and reclamation plan. We have completed our review of your May 13, 2002, application to construct a large scale mine access road into the Ashley Creek Project Area. After completing our review, we have the following comments which will need to be addressed before conditional approval can be considered. Please provide a response to this review by September 30, 2002.

The Division will suspend further review of this notice until we receive your response to this letter. If you have any questions regarding this review, please contact me, Paul Baker or Doug Jensen of the Minerals Staff. If you wish to arrange a meeting to sit down and discuss this review, please contact us at your earliest convenience. Thank you for your cooperation in completing this permitting action.

Sincerely,

D. Wayne Hedberg

D. Wayne Hedberg
Permit Supervisor
Minerals Regulatory Program

jb
Attachment: Review
cc: Jim Pruden, Pruden Geoscience Services, Inc.
Will Stokes, SITLA
O:\M047-Uintah\M047071AshleyCk\final\new-lmo-review08-28-02.doc

INITIAL REVIEW OF NOTICE OF INTENTION TO CONSTRUCT LARGE MINE ACCESS ROAD

Ashley Creek Phosphate Company
Ashley Creek Project - Road

M/047/077

Because the application does not follow the standard numeric sequencing of the administrative rules, our technical review comments are written to correspond with the plan section numbering sequence.

Section 5.3

Before the culvert is placed and the causeway construction begins, soils within the area that will be affected by this activity will need to be removed and placed in a stockpile for final reclamation. (DJ)

The removal and stockpiling of soils from this area will affect a minimum of 2 acres, this additional acreage will need to be included in the total affected area of the plan. Please indicate on the reclamation treatments map the proposed location for stockpiles of material removed from this area. The plan should also state how this material will be replaced after final causeway material is removed. (DJ)

This portion of the plan states that small earth moving equipment will be used to level the stream bottom alluvium along the projected culvert length. The engineering study completed by Earthtec Testing & Engineering contained in Appendix II states the engineering calculations for the culvert and causeway are based on the premise that the structure will be founded on bedrock with an unconfined compression strength of at least 4000 psf. Placement of the culvert on uncompacted material will negate this study. (DJ)

If all the alluvial material is removed from the area to be impacted by the causeway, please indicate where this material will be stored and include the affected area where this material is placed in the total affected area of the permit application. (DJ)

The engineering study also states that to obtain sufficient compaction around the culvert, material should be placed in 6" lifts until a full 6" of material covers the culvert and then only in 12" lifts should be placed. How many additional 12" lifts of material will be necessary before end dumping can cover the culvert? (DJ)

The plan still fails to address additional access that will need to be constructed to access the area of the 48" culvert placement. It is possible that delivery of the culvert and 1" bedding material to the placement site will require construction of an alternate access route. Complete

removal of the causeway and culvert for final reclamation will also require access to the base of the causeway fill. (DJ)

Section 5.7

The plan states that soils will be stacked to at least 12 foot heights. Rather than stacking the soil this high, the operator needs to place the soil in windrows not exceeding 4 feet in height. This will increase viability of the soil for reclamation, and it should also be less expensive for the operator. (DJ & PBB)

Section 5.8

The Plan states that replacement of excavated topsoil will depend on the soil map derived during the course of the construction project; however, Section 7.0 indicates an average of 11 inches of soil will be harvested from the access road with lesser amounts being salvaged elsewhere. About 3.4 inches would be available for reclamation of the silt pond construction roads, 0.4 inches for the borrow pit, and about 8.8 inches for the silt dams. The soil survey provided indicates that 8 inches of topsoil and 14 inches of subsoil (probably suitable for reclamation) exist at the borrow pit location. About 9 inches of topsoil is available from the silt pond construction roads and silt dam areas. Please revise your plan to harvest and use all suitable materials. (DJ & PBB)

This section of the application indicates that for final reclamation, seed will be applied aerially and that mulch, seed, and fertilizer will be mixed in a water slurry. This method is not acceptable. Mixing seed with fertilizer has been shown to decrease seed viability by 50%, and mixing the seed with mulch decreases seedling establishment by reducing seed contact with the soil. If the operator desires to hydroseed, it needs to be done in at least two separate operations. (PBB)

Section 7.0

The plan states "reclamation of roads will require using a trackhoe to pull side-cast material from the lower portions of the fill there-by bringing the disturbed area back to approximate original contours". The total affected area of the road is estimated to be 70'wide and the normal working reach for most trackhoes is ~52'. For the reclamation estimates an additional piece of equipment will need to be included to complete the reclamation of the side-cast portions of the proposed roads. (DJ)

Section 7.3

No mention is made of soil and alluvial material removal in the silt pond areas. The engineering study states that the strength assumptions made during the analysis were the same as those of the causeway, which is keying these structures to bedrock. Please indicate what method will be used to construct these features and if stockpiles are constructed show their location on a map. Also include any additional affected areas that will result from the construction of these stockpiles. (DJ)

Section 7.4

The soil survey indicates that there is much more than 400 cubic yards of soil materials available from the borrow area. Please revise your plan to include the salvaging of all available soil materials from this area. (PBB)

Section 8.1

A copy of correspondence from Air Quality noting the status of this operation will be necessary to satisfy the Division's requirements. (DJ)

Section 9.0

The plan states, "All the fill structures would be an asset in providing pristine wildlife habitat." Please explain how the stream crossing culvert and causeway fill will provide pristine wildlife habitat. (DJ)

The variance request states that, "The land owner SITLA concurs with retaining the fill structures are environmentally beneficial." SITLA stated in their letter that they did not object to leaving the structures. This was before SITLA discovered that they do not own the surface rights in the areas of the causeway and stream-crossing fill. Facilities and structures to be left after mining would have to be approved by the surface owner where the structures are located. The Division does not agree with the applicant that these features would be an asset to this area and the application for a variance is denied. (DJ)

Section 10.0

A detailed itemization of the surety calculations should be provided with the plan to allow the Division to validate projected reclamation costs. (DJ)

Section 11.0

The summary of the proposed plan states in part that, "The obvious immediate benefit of this proposed construction would be to provide safe access to the northern portions of the license area for large drill and heavy equipment." Does this statement infer that access by the heavy equipment used during road construction, prior to the completion of the proposed road, will not have safe access to these areas? What provisions will Ashley Creek Phosphate make to allow for "safe" access for road construction equipment to the site until the main road is completed? (DJ)